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State BUREAU OF INTELLIGENCE AND RESEARCH - ANALYSIS: JULY 6, 1980

1. IRAN: KHOMEINI'S "REVOLUTION WITHIN THE REVOLUTION"

Khomeini's recent speeches demanding action to "save the Revolution" have resulted in clerical calls for a renewed revolutionary emphasis and in efforts to end the political impasse between Beheshti and Bani-Sadr. But revolutionary fervor will not solve Iran's serious factional divisions, which in fact grow out of disagreements on the nature of the Revolution.

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Ayatollah Montazeri, reportedly Khomeini's hand-picked successor, and the Qom Seminary have expounded upon Khomeini's "new Islamic revolution" by calling for:

- purging "satanical elements" from the bureaucracies;
- reaffirming the bond between the masses and "the Imam and genuine clergy";
- imposing unity to "carry out revolutionary reform"; and
- smashing those who fight Islam in the name of Islam (e.g., the leftists, particularly the Mujahiddin al-Khalq).

These vague revolutionary words add up to more purges and further action against the left. In fact, some moves in that direction have already begun.

As a result of this new political atmosphere and Khomeini's speeches, Ayatollah Beheshti indicated in a July 2 interview that:

- the Majlis and the President were working to "reach an agreement on the Prime Minister issue";
- the Majlis and the Supreme Judicial Council would begin substantive deliberations in about two weeks (probably an optimistic prediction); and
- the Revolutionary Council would soon be dissolved.

Although a permanent "unified" government may nominally function in the near future, it is doubtful that the deep-seated animosities between the various factions will have been neutralized; thus, effective government is unlikely to exist.

Bani-Sadr's recent comment that he would concentrate on the country's internal problems rather than the hostage issue is also a reaction to the Khomeini speeches. He is trying to convey the impression that a permanent government, fully responsive to the poor, is beginning to function and that ad hoc political arrangements are being terminated.

The "new Revolution" puts Bani-Sadr in a dilemma. If he supports the bureaucratic purges, he helps to eliminate those individuals most supportive of him. However, to oppose the purges puts him in opposition to the Prime Minister's line and gives the Islamic fundamentalists ammunition for the future.

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